

CLAIMS

1. A method of creating a financial structure for an individual, hereinafter "Individual" for the purpose of delivering a tax favored financial position to Individual, said Individual being characterized by being highly compensated by a preexisting business entity, hereinafter "Oldco", the ownership and control of which is by Individual, the method comprising the steps of:
 - a. creating an "S" type corporation, hereinafter "PLC," and having a purpose of engaging in the business of leasing employee services;
 - b. creating an Employee Stock Ownership Plan, hereinafter "ESOP";
 - 10 c. transferring ownership of PLC to ESOP;
 - d. recruitment of Individual by PLC whereby Individual agrees (i) to be willing to cease providing services, hereinafter "Services," to Oldco, and (ii) to provide Services to Oldco as a leased employee of a limited liability company, hereinafter "LLC";
 - 15 e. PLC creating LLC, a limited liability company, the ownership of LLC being allocated 95% to PLC and 5% to Individual;
 - f. LLC offering to hire Individual and Individual agreeing to accept an offer of employment from LLC for assignment of Individual as a leased employee, Individual being offered by LLC, and accepting, a benefits package including a deferred compensation (DC) plan;
 - 20 g. LLC agreeing with Oldco to provide Individual as a leased employee to perform Services to Oldco; Individual agreeing to perform Services to

Oldco as a leased employee thereof; and Oldco compensating LLC for
Services provided by Individual for Oldco;

h. allocating all income and expenses of LLC to PLC and Individual as
follows: (i) allocating all items of expense relating to leasing transaction
5 fees to Individual, thereafter allocating all remaining items of expense in
proportion to ownership, and (ii) allocating all income in proportion to
ownership;

i. Individual deferring compensation from LLC and LLC depositing deferred
compensation of Individual into an investment vehicle selected by
10 Individual; and
said method creating an income tax deferral for said deferred compensation of said
Individual.

2. The method of claim 1 wherein said investment vehicle is a life insurance policy.

3. The method of claim 2 wherein said insurance policy specifies Individual as the
named insured, and with the death benefit being dedicated to cover deferred compensation
liability, and LLC is structured so that Individual has the absolute right to buy out, from
PLC, PLC's entire ownership of LLC at a cost equal to the net book value of LLC plus a
20 irrevocable assignment of said death benefit.

4. The method of claim 3 wherein said insurance policy is held in a Rabbi trust.

5. The method of claim 1 where said investment vehicle is a non-qualified, deferred compensation plan.

6. The method of claim 1 wherein said investment vehicle is an asset held in trust by a

5 Rabbi trust.

Approved by the Board of Directors